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COPY NO. 66
OCI NO. 4443/60

8 September 1960

CURRENT INTELLIGENCE WEEKLY SUMMARY



CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE

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DOCUMENT NO. 2
NO CHANGE IN CLASS.
 DECLASSIFIED
CLASS. CHANGED TO: TS S(C)
NEXT REVIEW DATE: May 90
AUTH: HR 70-2
DATE: *13 MAY 1000*

REVIEWER: State Dept. review completed

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CURRENT INTELLIGENCE WEEKLY SUMMARY

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THE WEEK IN BRIEF

PART I

OF IMMEDIATE INTEREST

DEVELOPMENTS IN SOVIET FOREIGN RELATIONS Page 1

Despite Khrushchev's decision to attend the UN General Assembly and his appeal in Finland to all heads of government to lead their delegations, it is doubtful that the Soviet premier seriously expects to have meetings with Western leaders at this time. He apparently intends to use the United Nations primarily as a forum for attacking American policy and enlisting support for Soviet positions. Khrushchev, in his recent visit to Finland, gained President Kekkonen's endorsement of the USSR's stand on disarmament and the need for peaceful coexistence. In return, Moscow agreed to open negotiations for safeguarding Soviet trade interests "in case" Finland becomes associated with the European Free Trade Area.

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EAST GERMANY INTENSIFIES PRESSURE ON WEST BERLIN Page 3

The Ulbricht regime--using the pretext of West German "revanchist" meetings in Berlin--demonstrated from 30 August to 4 September its ability to determine what West Germans would travel to the city by land and strongly asserted its claim to control of civilian access by air. This move was accompanied by further steps to tie East Berlin more closely to East Germany. One reason for the intensified pressure appears to be a desire to cut the flow of refugees, which is running far in excess of 1959 figures.

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CUBAN DEVELOPMENTS Page 6

Fidel Castro in effect withdrew his country from the inter-American system in a 2 September speech in which he reiterated his acceptance of Soviet support and announced his intention to establish relations with Communist China. Cuba's recognition of Peiping, the first by a western hemisphere nation, is a major diplomatic breakthrough for Communist China. Peiping's embassy in Havana will likely be used as a center for spreading Chinese influence elsewhere in Latin America. Meanwhile, the Castro regime continues to provoke other Latin American governments, and several are considering breaking diplomatic relations with Cuba, a step taken by Nicaragua and Guatemala earlier this year.

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PART I (continued)

REPUBLIC OF THE CONGO Page 8

The power struggle between President Kasavubu and Premier Lumumba remains unresolved. Premier Lumumba apparently retains the initiative and has police and army support, although the arrival of troops favorable to Kasavubu and the moderates has raised the threat of considerable violence in Leopoldville. Hammarskjold has asked the UN Security Council to reconvene in an effort to stop unilateral aid efforts from the outside and to give authority to disarm the Congolese troops. Meanwhile, the Lumumba government is continuing its efforts to subdue secessionists in Kasai Province before attempting to gain control over Katanga.

The USSR has given Lumumba strong propaganda support in the wake of Kasavubu's attempted coup and has criticized UN authorities, portending new Soviet-supported moves by Lumumba aimed at modifying the role of the UN in the Congo. Soviet bloc countries have been increasing their direct aid to the Lumumba regime.

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SITUATION IN LAOS Page 10

The new government of Premier Souvanna Phouma is slowly beginning to function, but Interior Minister General Phoumi remains at his headquarters in Savannakhet. He has ignored repeated summons by Souvanna to join the cabinet in Vientiane on the grounds that Captain Kong Le is still in de facto control of the capital and that it is therefore unsafe for him to return. He also appears to be having second thoughts about the compromise he reached with Souvanna and may be planning some form of armed opposition to the Vientiane regime. The Communist Pathet Lao has responded to Souvanna's appeal for immediate peace talks with a set of stiff preconditions for negotiations, including Phoumi's removal from the cabinet, indicating that the Pathet Lao representatives will be hard bargainers when and if they sit down at a conference table with Souvanna.

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PART II

NOTES AND COMMENTS

DOMINICAN REPUBLIC Page 1

The Trujillo dictatorship is seeking to counter its growing diplomatic and economic isolation in the western hemisphere by increasing contacts in Western Europe and making new contacts with Near Eastern and Soviet bloc countries. However, the UN Security Council will meet on 8 September to consider Moscow's request that the council endorse the recent action by the Organization of American States against Trujillo. This move is an evident effort to embarrass the United States by again asserting the USSR's claim to have a legitimate interest in the affairs of the western hemisphere.

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**THREATENED POLITICAL CRISIS IN VENEZUELA OVER POLICY
TOWARD CUBA** Page 2

Venezuelan President Betancourt's coalition is facing a split over policy toward the Castro regime as a result of controversy about Venezuela's role at the San Jose meeting of OAS foreign ministers. Foreign Minister Arcaya's refusal to sign the final OAS resolution against extra-continental intervention in the hemisphere, although Betancourt subscribed to it unconditionally, emphasized the sharp division in Venezuela between pro- and anti-Castro elements and touched off a series of pro-Castro demonstrations. Arcaya resigned from the cabinet on 6 September, but his party is still a member of the government coalition.

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SINO-SOVIET RELATIONS Page 3

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Chinese Communist journals have continued to affirm positions offensive to Moscow but have not resumed their all-out campaign. The Soviet party has moved to protect itself against Chinese charges of "revisionism" by attacking a long Yugoslav critique of Chinese positions, although the Soviet review leaves unrefuted the larger part of the Yugoslav case. The high-ranking Eastern European representation accompanying Khrushchev to the UN appears designed to demonstrate satellite party support for Moscow. Khrushchev has sent further letters to the nonbloc Communist parties seeking their support in a meeting scheduled for November.

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PART II (continued)

DE GAULLE'S RECENT STATEMENTS Page 5

The line taken on the world situation by De Gaulle in his 5 September press conference and at the start of his speaking tour of Brittany probably indicates his feeling that this is a propitious time to press his bid for a greater leadership role in the Western alliance. His dismissal of the UN as a forum for serious discussion of international problems is probably anticipatory of adverse UN action on the Algerian problem. De Gaulle's remarks seem intended to encourage a resumption of cease-fire talks with the rebels.

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EUROPEAN CONFEDERATION PLAN Page 5

De Gaulle's proposals for a European confederation, which he brought before the public in his 5 September press conference, continue to provoke misgivings among the Common Market countries, which would most likely be its constituent members. Many see the plan as a direct threat to the federalist-inclined Common Market and as a device for extending French influence in NATO. Nevertheless, these countries are not likely to risk offending De Gaulle by rejecting his plan out of hand, and they may hope in the next few months to extract concessions which would preserve the prospect of real political integration.

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MOROCCO PRESSES CLAIM TO MAURITANIA Page 7

The Moroccan Government is seeking international support for its claims to Mauritania, which becomes independent on 28 November. These claims seem certain to cause new difficulties in Morocco's relations with France, which now controls Mauritania.

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MIDDLE EAST HIGHLIGHTS Page 8

Vitriolic propaganda exchanges between Jordan and the UAR are continuing in the wake of the assassination of Jordanian Prime Minister Majalli. In Iran, the Shah is continuing to try to regain the prestige lost over the rigged parliamentary elections. Opposition elements, however, are exploiting the situation, which is developing in their favor. New pressures against the policies of Western oil companies may result from a meeting of government oil officials from several Arab states, Iran, and Venezuela beginning on 10 September in Baghdad.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****8 September 1960****PART II (continued)****POLITICAL DETERIORATION IN BURMA Page 9**

Burmese Army leaders, increasingly dissatisfied with Prime Minister Nu, are urging General Ne Win to intervene with Nu for stronger leadership and administrative discipline. Ne Win probably opposes direct army action at this time, but ultimately may be unable to restrain his colleagues. U Nu has little control over his party and may face a political revolt if he attempts to tighten his administrative control to satisfy army demands.

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INDONESIA AND THE KAREL DOORMAN CONTROVERSY Page 10

The return to West New Guinea of the Dutch aircraft carrier Karel Doorman, following cancellation of a visit to Yokohama, will undoubtedly be exploited by President Sukarno and the Indonesian Communist party to stimulate further anti-Dutch feeling and demands for the "liberation" of the area. Sukarno is also expected to use the issue in an effort to obscure a domestic crisis precipitated by the army's ban on Communist activities in several areas.

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SWEDEN'S PARLIAMENTARY ELECTIONS Page 11

Sweden's governing Social Democratic party is expected to lose some voting strength in the parliamentary elections on 18 September, but it is uncertain whether these losses will be sufficient to cause Prime Minister Erlander to resign or drastically reshuffle his government. The campaign is being fought largely on social welfare and other domestic matters. The question of acquiring a nuclear weapons capability has not become an election issue in view of government plans to postpone a decision on it until 1963.

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SOVIET AGRICULTURAL LEADERSHIP IN FLUX Page 12

Top-level party and government direction of Soviet agriculture remains in the state of flux apparent more than a year ago. The latest round of personnel changes, in part a result of last year's disappointing harvest, may also be symptomatic of indecisiveness or contention within the Kremlin hierarchy over questions of agricultural organization. With Khrushchev set to embark on a new series of international junkets and no central committee meeting scheduled for the immediate future, decisions may be further postponed, but some action to give direction to Soviet agriculture seems likely before the next party congress late this year or early in 1961.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****8 September 1960****PART II (continued)****PROPOSED CHANGES IN SOVIET ECONOMIC PLANNING Page 13**

Details of a proposal to create 14 economic coordination and planning councils to cover most of the USSR were expounded in a recent issue of the official journal of the Soviet State Planning Committee. These and other recent refinements in economic administration and planning are part of the regime's continuing efforts to obtain the benefits of both central control--for effective planning and the promotion of nationwide objectives--and operational flexibility at the local level to spur initiative and promote efficiency.

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POLISH PEASANTS BLAMED FOR FIVE-YEAR PLAN FAILURE Page 15

Gomulka, in a speech on 4 September, laid on the Polish peasants responsibility for achieving only a 19-percent increase in agricultural production in the Five-Year Plan (1956-60) instead of the planned 25 percent. In an apparent effort to combat hoarding, he asserted that this year's grain crop, although damaged by drought and heavy rains, would nearly equal last year's record output. He also called for laws which would permit strong action against the many peasants who have not heeded his admonitions to join government-sponsored organizations--"agricultural circles"--for the purchase and cooperative use of machinery.

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PART III**PATTERNS AND PERSPECTIVES****BRITAIN ADVANCES INDEPENDENCE SCHEDULE FOR COLONIES . . . Page 1**

Britain is markedly hastening its pace in granting independence to its colonies and protectorates. Within a few years, according to present plans, the colonial empire will dwindle to a small number of territories with strategic bases and a few scattered islands where nationalism has not yet developed. By readily conceding to nationalism and continuing to provide economic aid, London hopes to retain some defense facilities as well as considerable good will and trade. The inclusion of numerous small states in the Commonwealth may compel a modification in its structure.

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THE USSR'S USE OF EDUCATION AT HOME AND ABROAD Page 5

Close control of education has enabled the Soviet Union to train, in proportion to its total manpower, a

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PART III (continued)

greater number of technicians and scientists than the United States. The Institute of International Relations, with a six-year course emphasizing language and specialization on principal areas of the world, provides intensive training for service abroad. Education has been used increasingly as an important element in foreign policy. Scholarship offers, particularly to students of underdeveloped countries, have been generous, and acceptances have increased steadily. A University of People's Friendship for foreign students is to be opened in Moscow this year but probably will not entirely eliminate the problem of students' disillusionment with a close view of Soviet life.

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PART IV

OTHER INTELLIGENCE ISSUANCES

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PART I

OF IMMEDIATE INTEREST

DEVELOPMENTS IN SOVIET FOREIGN RELATIONS

Khrushchev has followed up the announcement of his UN appearance with an effort to persuade free-world leaders to attend the opening of the General Assembly. He has sent private letters to Nehru, Sukarno, and probably other neutralist leaders, urging them to attend.

During his short visit to Finland, Khrushchev renewed his appeal for all the heads of government to lead their delegations. Prior to the announcement, Deputy Foreign Minister Kuznetsov on three separate occasions had requested Secretary General Hammarskjold to invite President Eisenhower, Prime Minister Macmillan, and President de Gaulle, as well as Khrushchev, to attend the meeting.

Khrushchev's remarks in Finland and Soviet propaganda treatment of his UN trip suggest that he does not expect the Western powers to follow his suggestion and is pressing the proposal as a means of documenting his claim that the Western leaders are indifferent to a solution of the disarmament problem. In his speech in Helsinki on 3 September he was apparently setting the stage for such a charge when he questioned, "Who can argue that of all the pressing problems which require the attention of the heads of government," the disarmament question is not the most important and vital.

Soviet propaganda has also developed the theme that the United States has been thrown into a state of "confusion and panic" at the thought that the heads of government would discuss its "provocative" policy. This line of attack appears designed to ensure against attendance by the Western leaders.

Khrushchev probably hopes that the attendance of a few Afro-Asian leaders will serve as a demonstration of support for Soviet charges against the United States. On the basis of his performance in Finland, Khrushchev can be expected to rely heavily on the U-2 incident in reviewing the international developments since his last UN appearance and in defending his actions in wrecking the summit and withdrawing from the disarmament talks. Moscow still intends to press for debate on both the U-2 and RB-47 incidents before the General Assembly, and Khrushchev will probably attempt to convince neutral delegations that support for an indictment of the United States as a "menace to peace" is a necessary prerequisite to an improvement of the international climate.

As in his last visit to the UN, Khrushchev's main theme will be disarmament and peaceful coexistence. Soviet propaganda

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has hinted that Khrushchev will present a new or modified disarmament plan to the General Assembly. The intense campaign against foreign bases may indicate that Khrushchev will modify the first stage of the Soviet disarmament proposal so as to present a new package covering elimination of foreign bases and nuclear weapons delivery systems as a first step to be taken within some specific time limit.

Khrushchev to Cuba

Khrushchev will arrive by ship in New York on 19 September, and he may visit Cuba after an appearance before the General Assembly. TASS broadcast a statement claiming that the Cuban people were eagerly awaiting Khrushchev's appearance, and the Havana radio cited UN diplomats as the source of rumors that Khrushchev would come to Havana after his visit to the General Assembly. Continued attacks against the United States would almost certainly be a feature of such a trip.

Soviet-Finnish Relations

Although Khrushchev characterized Soviet-Finnish relations as an outstanding example of the application of the principles of peaceful coexistence, he indicated during his visit that Finland should pursue a policy of more active neutrality. The joint communiqué issued at the completion of Khrushchev's visit on 4 September shows that in return for negotiations which may clear the

way for Finland's association with the European Free Trade Association, President Kekkonen endorsed Soviet proposals for complete disarmament and pledged Finland to strive for expanded trade and cultural contacts with the USSR.

Both men expressed their "firm intention to do their utmost to keep the region of northern Europe outside the sphere of tension and friction between states." This would suggest that Kekkonen may have been enlisted in the Soviet effort to neutralize Scandinavia. The Soviet Union has long complained that the Finnish Government has followed too passive a foreign policy and had not sought to influence Norway and Denmark to leave NATO and adopt an official policy of neutrality. The Soviet Union will have a further opportunity to seek to identify Finland more closely with Soviet foreign policy objectives during Kekkonen's visit to Moscow in November to negotiate trade arrangements prior to Finland's entry into EFTA.

Germany

Khrushchev also used his Finnish visit to continue his attacks on German militarism, which he warned was being underestimated in Scandinavia. He quoted a memorandum of the West German armed forces operational staff as an "ominous" confirmation of the threat of German militarism. This general line was reflected in Soviet notes to Bonn and London. The note to Bonn added the standard warnings that the USSR

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would not remain indifferent if West German forces are supplied with nuclear weapons. It also contained a renewed threat

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to sign a separate peace treaty with the East Germans and solve the Berlin problem "in the near future."

EAST GERMANY INTENSIFIES PRESSURE ON WEST BERLIN

The Ulbricht regime--using the pretext of West German "revanchist" meetings in the city--demonstrated from 30 August to 4 September its ability to determine what West Germans would travel to West Berlin by land, and strongly reiterated its claim to control of civilian access by air. This move was accompanied by further steps to tie East Berlin more closely to East Germany.

One important reason for the intensified pressure appears to be a desire to cut the flow of refugees through the city, which for the month of August reached 18,000. Total flights to West Berlin and West Germany last month totaled more than 21,400--the highest monthly figure since the mass flights of August 1958. So far this year, more than 100,000 refugees have fled through West Berlin, and total flights to the West exceed 126,000 for the first eight months, compared with some 143,000 during all of 1959.

In a television interview marking his return from a six-week vacation in the USSR, East German party boss Walter Ulbricht asserted on 3 September that the Western powers have "liquidated" the four-power agreements relating to Berlin, that East Germany and "its capital, Berlin," are no longer subject to occupation, and that West Berlin "is and remains part of the territory of the German Democratic Republic, and is not and will not be a

state of the Federal Republic." He added that the use of West German passports by West Berliners is "completely illegal."

These assertions suggest that the regime may soon attempt to force West Berliners to use some different type of documentation in order to cross East Germany, and that in any event, further East German efforts to interfere with access to West Berlin can be expected.

Earlier, Deputy Foreign Minister Otto Winzer challenged Western use of the three air corridors linking West Berlin with West Germany for any purpose other than supplying the Western garrisons in Berlin. Ulbricht questioned the validity of the four-power basic agreements of 1949 assuring free access to Berlin and protested use of the corridors "by American aircraft" to transport West Germans who had been turned back at road and rail crossing points by East German border guards. East Germany made no effort last week, however, to interfere with traffic in the corridors.

Ulbricht said conclusion of a peace treaty with Germany is "necessary and inevitable," but set no deadlines. The East Germans have not yet, however, attempted to interfere with Western military access to the city and have confined their harassment strictly to West German traffic, already under their exclusive control during past years.

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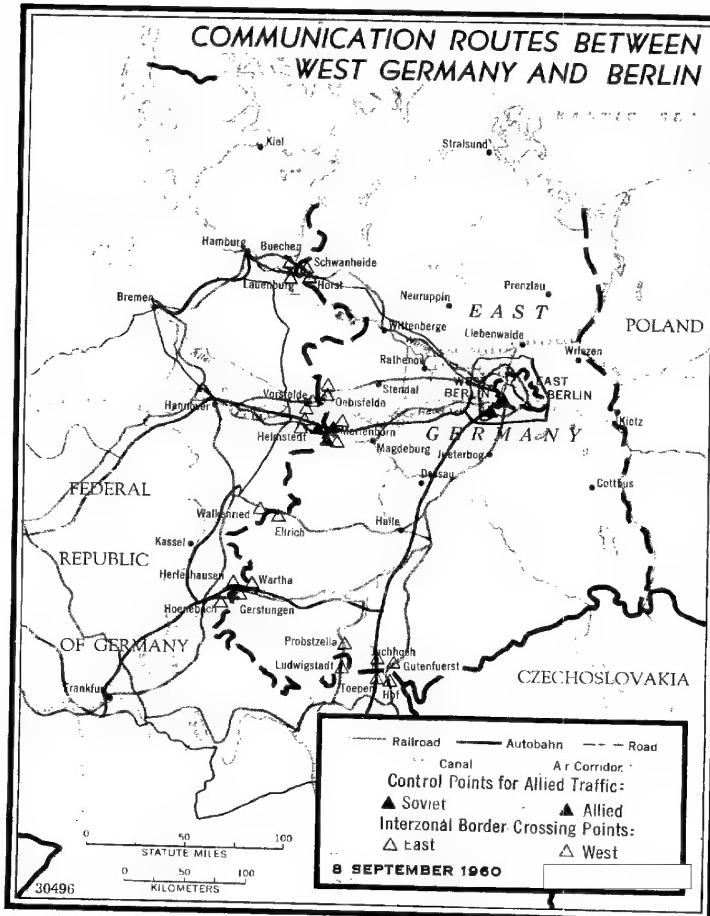
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East German Foreign Trade Minister Rau on 6 September reasserted the regime's "right" to impose controls and warned Bonn against attempting to take any steps, such as cutting off trade with East Germany, to retaliate against the intensified restrictions on West German travel to Berlin. Moreover, he categorically rejected the West German contention that East-West German trade is contingent on maintaining of West Berlin's free communications with the West.

The Ulbricht regime appears to have taken two further steps to tie East Berlin more closely to East Germany. The East German Ministry of Interior decree barring West Germans from the city without residence permits appears to have been applied directly in the Soviet sector, without any intermediate legislation by East Berlin municipal authorities. Moreover, West Germans were subjected to the same type of controls as those imposed at the East-West German border, although no effort was made to halt visits by West Berliners to East Berlin.

Soviet propaganda treatment of the Berlin situation and the lack of high-level comments suggest that Moscow has been concerned not to create

a crisis atmosphere in connection with East German moves. While providing full propaganda support, Soviet commentaries seem designed to stress the provocative nature of West German policy and play down the restrictive measures adopted by the East Germans.



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Khrushchev's failure to comment on the situation during his public remarks in Finland also suggests that Moscow desired to allow the five-day travel prohibition to run its course without injecting itself into the dispute. Such a tactic

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would serve to underscore the East German claims to sovereignty over access to Berlin within the context of the Soviet - East German agreement reserving controls over Allied traffic to the USSR.

East Germany is intensifying its efforts to undermine the links between West Berlin and Bonn and has charged that the 10 September visit of Vice Chancellor Erhard to confer with West Berlin's Mayor Willy Brandt is a "provocation." The East German press is also endeavoring to capitalize on alleged differences among the Western powers concerning West Berlin's relations with Bonn, in an effort to create dissension and undercut effective action against East Germany.

Some 17 barges en route to West Berlin from West Germany were forced by East German officials to return to the frontier crossing point at Schnackenburg on grounds that their draft exceeded the legal limit and were subjected to long delays. In contrast to past usage, the barges were not permitted, for legalistic reasons, to take an alternate route. It is not yet clear whether this arbitrary action forms part of the regime's harassing measures against Berlin.

West Berlin Mayor Brandt and other Berlin officials have taken a very serious view of East Germany's temporary interference with free access, called for a high-level protest by the

Western allies to the USSR, and stated that without firmness by the Western powers there will be future harassments of this type. Brandt further expressed concern over the effects of East German harassment on West Berlin's economy, particularly in regard to the level of West German industrial orders and new investment in Berlin.

Nevertheless, he and the Berlin city council recommended against any retaliatory measures, such as slowing down or halting interzonal trade, on the grounds that this would only aggravate the situation. The sole countermeasure was the provision of free air transportation into the city for nearly 700 out of a thousand West Germans prevented by East German border guards from making the trip by land.

West Berlin Deputy Mayor Amrehn on 6 September expressed fears that new harassments may be attempted on 10 September in connection with the West Berlin Industrial Fair and the visit of Erhard. Erhard is to discuss possible economic reprisals with Brandt, who has threatened the East Germans with a "moral boycott" including economic measures if there is any further interruption of access to the city.

Western Positions

The British Foreign Office has explained to Bonn that the Times editorial critical of West

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Germany's Berlin policy--which has been liberally quoted by the East Germans--does not reflect British policy. The Times article had concluded that West Germany is spoiling a good case by overplaying its hand and warned that continuance of this practice would cause the opinion to spread among the Western allies that their obligation to defend West Berlin was being exploited.

A working-level Foreign Office official on 2 September was receptive to the idea of a study of countermeasures against East German interference with travel to Berlin, mentioning the possibility of selectively

withholding the issuance of temporary travel documents.

The French Embassy in London has proposed a high-level approach to Bonn urging it and Berlin authorities to hold full consultations with the three Western powers before taking any future decisions likely to lead to East German or Soviet reaction. The British Foreign Office believes that the French approach is a result of the strong East German response to refugee meetings in Berlin. London is cool to the idea but is willing to allow the Western ambassadors in Bonn to discuss the matter.

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CUBAN DEVELOPMENTS

Fidel Castro in effect withdrew Cuba from the inter-American system in a 2 September speech that featured the announcement of his intention to establish diplomatic relations with Communist China and to accept Chinese Communist, as well as Soviet, military aid "if we are attacked."

Cuba's recognition of the Peiping regime, the first by a western hemisphere nation, is a major diplomatic breakthrough for Communist China. Peiping has intensified its propaganda toward Latin America in recent years and has expressed special admiration for the Cuban revolution, which it holds up as a model for other Latin American countries in their "struggle against American imperialism."

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En-lai on 15 August pledged "every possible aid, with no strings attached" to "the Cuban people."

Cuba, with a Chinese community of about 30,000--the largest in Latin America--will be a particularly valuable base for the Chinese Communists in promoting their influence in Latin America. The Chinese Communists have for some time been using the Havana office of the New China News Agency as a propaganda outlet and will probably use their embassy facilities as a channel for covert guidance and financial assistance to Communist movements throughout Latin America.

On 29 August, Cuba became the first nonbloc nation to

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recognize North Korea, and an exchange of ambassadors is expected soon. A Hungarian trade mission arrived in Cuba on 3 September, and trade and cultural agreements will probably be signed.

At the 2 September rally of some 300,000 persons staged by the government to give the answer of "the Cuban people" to the OAS warning against accepting Sino-Soviet bloc support, Castro reiterated Cuba's acceptance of Soviet military aid in the "Declaration of Havana," a ten-point manifesto read to, and dutifully approved by, the crowd. Castro said the manifesto, which also bitterly attacked the "open and criminal intervention which the US has exercised over Latin America for 199 years," would be submitted to "all revolutionary groups and men in America" for support. On 6 September, a Cuban spokesman said the regime had requested support for the declaration from labor, agrarian, student, women's, and professional groups all over the world.

In the same speech Castro denounced the US-Cuban mutual defense assistance treaty of 1952 and threatened to reply to new US "economic aggression" by nationalizing all remaining American-owned property. He repeated earlier statements that Cuba will never attack the US naval base at Guantanamo Bay, but added that if "aggression" against Cuba continues, a new "assembly of the Cuban people" will be called to demand that

the United States withdraw from the base.

Cuba's relations with most other Latin American nations have been further strained by its accusations of a "shameful surrender" to US pressure at the San Jose foreign ministers' meeting and by the invective employed by Cuban Foreign Minister Roa toward them. Roa rejected Argentine and Brazilian protests in sharp notes to the ambassadors on 5 September. This has raised the possibility of an Argentine break in diplomatic relations with Cuba.

Peruvian President Prado has agreed, under pressure from the military, to break relations with Cuba at a propitious time. Venezuelan President Betancourt has become increasingly hostile toward Castro, while Colombia, incensed by a recent outburst by the Cuban ambassador, is expected at least to declare the ambassador persona non grata. Nicaragua and Guatemala broke diplomatic relations with the Castro regime earlier this year.

Cuba's poor relations with other hemisphere governments are accompanied by frank appeals for support from the Latin American people over the heads of their governments. While Cuban leaders publicly deny charges that they are trying to export their revolution, they publicly welcome all Latin Americans who want to come "to drink at the pure clear spring" of revolution in Cuba, and Roa claims that he was speaking for "the peoples of Latin America" at the San Jose meeting.

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Meanwhile, there is continuing evidence of increasing antigovernment guerrilla activity in the mountains of central Cuba. Embassy sources reported on 2 September that at least one shipment of arms

and ammunition had been sent to the guerrillas during the previous week. More recruits are reported to be joining the guerrillas, and new "fronts" may be opened elsewhere in the country.

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REPUBLIC OF THE CONGO

The power struggle between President Kasavubu and Premier Lumumba remains unresolved and the situation continues fluid. Lumumba, who has maintained his popular support and influence over the police and most army units, retains the initiative. Kasavubu at present appears to have been rebuffed in his bid to oust Lumumba, and several of his closest supporters are in the protective custody of the UN Command in the Congo. However, the President may be gaining significant military support.

On 5 September, Kasavubu announced the removal of Lumumba from office after the President's political organization--the Abako--had put increasing pressure on him to use his constitutional powers to get rid of Lumumba. Several other political groups, generally representative of regional interests opposed to Lumumba's strong central government, joined in this pressure. However, UN troops guarding the radio station failed to prevent Lumumba from broadcasting several appeals for popular support during which he announced Kasavubu's ouster from the presidency.

The UN took over control of Leopoldville's radio station and two airports to prevent the outbreak of disorders. Officially, the UN Command was pursuing a policy of neutrality between

rival factions, but to many observers its actions appeared to favor Kasavubu. Lumumba quickly summoned the cabinet and received its support. The cabinet accused Kasavubu of treason for trying to dismiss the premier and took over his functions until the National Assembly could discuss the situation. At the meeting of the Chamber of Deputies--the Senate refused to meet--on 7 September, Lumumba was in control after making a fiery attack on the UN for preventing an armed attack on Katanga. The chamber's resolution decreed that the dismissals of Lumumba and Kasavubu were invalid, and Lumumba remained in the political saddle.

Lumumba's control over the Leopoldville police was indicated by their attack on a pro-Kasavubu demonstration on 6 September during which several of the mob were killed by gunfire. His control over the Congolese National Army--the former Force Publique--is less clear-cut. On 6 September partisans of moderate Jean Bolikango--the Bangala tribal leader from the northwest region of the Congo--among some troops brought in by Lumumba from Thysville liberated him from jail. Lumumba had arrested him on 1 September for allegedly plotting against the government. These troops may strengthen the military position of Kasavubu, who is in alliance

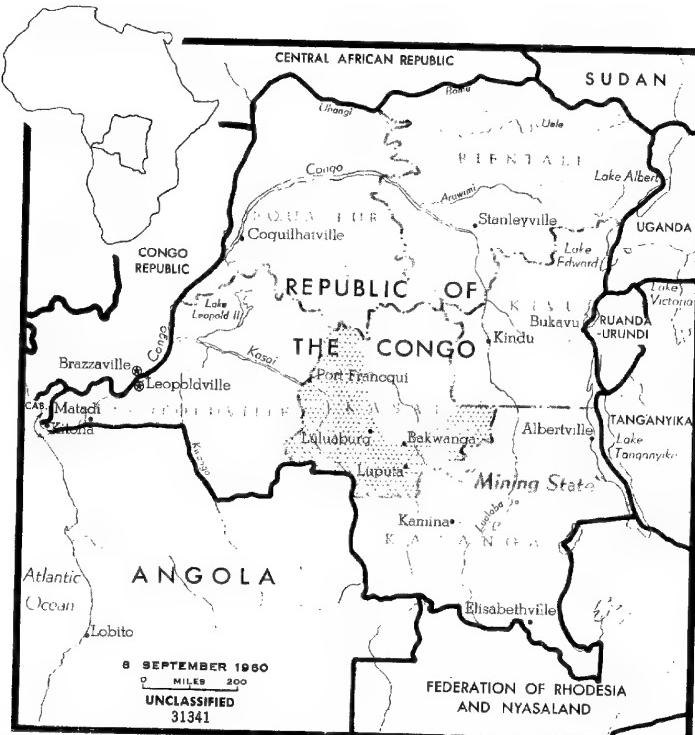
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with Bolikango, Kalonji of the Kasai, and Tshombé of Katanga. Support of the Bangalese is vital to the President because, along with Kasavubu's Bakongo people, they dominate the population of Leopoldville and have for years comprised about 40 percent of the former Force Publique.

Many of Kasavubu's supporters within Lumumba's government have sought UN protection against the premier's retaliation. Foreign Minister Bomboko, tipped off by the Congolese chief of staff concerning his impending arrest, appealed to the American ambassador for asylum and then joined President Kasavubu, Senate President Iléo--Kasavubu's candidate for premier--and two other ministers at the President's home under UN protection. This reliance on UN protection, particularly if followed by other Lumumba opponents, will provoke the premier to try drastic measures against UN operations in the Congo. On 8 September he demanded the withdrawal of all UN troops from the Congo.

Soviet and East European propagandists have given strong support to Lumumba in the wake of the attempted coup. Radio Moscow on 7 September criticized UN authorities for "open interference" in the Congo's internal affairs and for "hampering the establishment of law and order," instead of supporting the country's "lawful government." Another Soviet commentary claims that the situation would "undoubtedly right



itself quite quickly" if the Belgians, Americans, and other NATO elements would stop their "evil maneuvers."

Such criticisms raise the prospect that the USSR will encourage and support new moves by the Lumumba regime aimed at modifying the role of the UN forces in the Congo. Previously, Soviet officials had suggested to Lumumba that he call for the creation of an observer group comprised of representatives of various African countries which would ensure compliance with the UN Security Council resolutions, but did not press the proposal because of lack of support from African and Asian governments.

Hammarskjold has called for an early meeting of the Security Council in an effort to stop unilateral aid from the outside. He was presumably referring both to Soviet and Belgian actions. He also hopes to secure approval

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for the disarming of the Congolese troops.

The Soviet bloc has been expanding the scope and size of its activities in direct support of the Lumumba regime. There now are well over 200 bloc personnel in the Congo, including high-level economic delegations from the USSR and Czechoslovakia which reportedly are discussing the possibilities of economic aid with Congolese officials. As a result, agreements providing for large-scale bloc economic and technical assistance to the Lumumba government may be announced shortly.

Meanwhile, the central government is continuing its efforts to regain control of secessionist areas in southeastern Congo. Savage but indecisive fighting is occurring between the Congolese Army and forces of the tribal "Mining State" of southeastern Kasai Province centered in the town of Bakwanga. Battles have taken place in several villages, and hundreds of persons--mostly Baluba tribesmen--have been killed. Ten Soviet IL-14 aircraft have airlifted Congolese troops to strengthen Lumumba's force in Kasai. Moscow is, however, unlikely to allow these aircraft, which now bear Congolese markings but have retained

their Soviet crews, to become involved in actual fighting.

Other Congolese troop movements indicate that the Lumumba government is planning to move against Katanga secessionists at an early date. Lumumba's forces are reportedly moving toward the northern Katanga border through Kivu Province, but an invasion attempt must await the outcome of the fighting in Kasai.

In Katanga, the government of President Tshombé has had little success in broadening its international base of support. Tshombé's mission to Western Europe received no promises of aid, but nine tons of arms arrived in Elisabethville on 7 September by plane from Belgium. The Belgian commander of the Katanga Air Force hopes that by November he will be able to purchase six armed aircraft and five C47s suitable for paratroop operations. He also plans to add ten pilots to the present total of 15.

Tshombé may be troubled by dissension among the tribes in northern Katanga. Missionaries who recently returned from the area report that there is widespread support for Lumumba, and most of the urban centers are under control of forces opposing Tshombé.

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SITUATION IN LAOS

The new government of Premier Souvanna Phouma is slowly beginning to function, but the

situation in Laos remains far from stabilized. General Phoumi, deputy premier and interior

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minister, remains in Savannakhet, claiming that with Captain Kong Le still in de facto control of Vientiane, it would be unsafe for him to return to the capital. Phoumi also appears to be having second thoughts about his agreement to participate in a coalition government committed to neutralism and an accommodation with the Pathet Lao insurgents.

Phoumi apparently has considered opposing the Vientiane regime openly, either by reviving his plans to retake Vien-

tiane by military force or by establishing a separate state in southern Laos, a move for which there is historical precedent. Phoumi responded on 7 September to Souvanna's repeated requests that he return to Vientiane by writing the premier that while he was loyal to the new government, he would prefer to function as interior minister at his headquarters in Savannakhet.

Souvanna insists that Phoumi would run no personal risk by coming to Vientiane, but, the premier is vague regarding the arrangements made to neutralize Kong Le. General Amkha has been sworn in as military commandant of Vientiane, but Kong Le's paratroopers are still in the area and would probably be more than a match for

the assortment of service troops and half-trained infantrymen which General Ouane, the armed forces commander, claims he has armed as a counterbalance to the paratroopers. In any event, Kong Le seems to feel that he retains considerable influence. On 7 September he addressed an assemblage of policemen, informing them that "we" have set a deadline of 9 September for Phoumi's return, after which he would be considered a "rebel."

The only individual who really seems to exercise much

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influence on Kong Le is Souvanna himself. There is the danger, however, that in his efforts to mollify Kong Le, Souvanna may move faster and farther than he otherwise might toward carrying out his promises to come to terms with the Pathet Lao and to bring Laos into a more neutral position in world affairs.

In conversations with Ambassador Brown in Vientiane, Souvanna gave every indication of planning to carry out these policy shifts even before his government is firmly established and Phoumi's cooperation is secured. He hinted that he is considering establishing diplomatic relations with the USSR; however, Souvanna stated that he would attempt to limit ties with Peiping and Hanoi to an exchange of consuls.

Souvanna's eagerness to begin talks with the Pathet Lao is evident in his several appeals to the insurgents to send delegates to Vientiane for talks and his instructions to provincial authorities to provide a "warm welcome" to any Pathet Lao representatives presenting themselves to the respective provincial centers. Souvanna has also announced that the charges which led to the arrest of Prince Souphanouvong and other leaders of the Pathet Lao's aboveground counterpart, the Neo Lao Hak Sat party, a year ago were being dropped on the ground there was insufficient evidence.

The Pathet Lao has responded to Souvanna's peace appeals with a set of stiff preconditions for formal negotiations. The terms, as broadcast over the clandestine Pathet Lao

radio, include the immediate removal of the "Phoumi clique" from the government, a cessation of fighting, diplomatic recognition by Laos of all countries having "different social and political systems," and the acceptance of economic assistance from these countries. In a subsequent broadcast, the Pathet Lao for the first time criticized Souvanna personally, attacking him for permitting "imperialist lackeys" to violate the 1957 integration agreements when he was premier in 1958, for including the "Phoumi rebel clique" in his new government, and for insisting that the Pathet Lao followers lay down their arms and surrender "as though they were criminals." These statements indicate that Pathet representatives will be hard bargainers when and if they sit down at the conference table with Souvanna.

There are also indications that the Pathet Lao is stepping up its guerrilla operations in Sam Neua Province, in Laos' remote frontier area bordering on North Vietnam.

The Pathet Lao may wish to take advantage of the present political confusion to strengthen its bargaining position through military ventures. It may still have hopes of getting the whole loaf rather than the half loaf in prospect if it settles with Souvanna's government. A resurgence of guerrilla warfare, billed as a holy war against the "lackeys of American imperialism"--the Phoumi group, might offer some hope to the Pathet Lao that Kong Le might be inspired to overthrow Souvanna in a repetition of his 9 August coup. [redacted]

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The Dominican Government is seeking to counter the diplomatic and economic sanctions agreed to by the OAS foreign ministers' meeting. Brazil, Paraguay, and Haiti now are the only OAS members that still have not broken diplomatic ties with the Trujillo regime, and they are expected to do so soon.

Diplomatic relations with the USSR lapsed in 1946, but the Dominican radio announced on 1 September that Major General Arturo Espaillat might be appointed ambassador to the USSR.

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TRUJILLO

Foreign Minister Herrera

Baez [redacted] left on 2 September for a visit to Britain, France, and other Western European countries, to seek their support for a possible Dominican appeal to the UN Security Council against the OAS action and possibly to work for the continuance of European shipping services to the Dominican Republic. Venezuela has already succeeded in cutting off oil shipments from the Dutch West Indies by threatening to withhold Venezuelan oil from refineries on Curacao and Aruba.

Trujillo has also made overtures to the Soviet bloc.

There is no indication that bloc officials have been receptive to these Dominican overtures. The UN Security Council will meet on 8 September to consider Moscow's request that the council endorse the recent OAS action against the Trujillo regime. Moscow evidently is trying to embarrass the United States by again asserting the USSR's claim to

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have a legitimate interest in the affairs of the western hemisphere.

The Soviet move also seems designed to dissociate the USSR from Trujillo's efforts to flirt with the Communist bloc in order to irritate the US. The move could in addition provide a precedent for raising UN objections to any future OAS punitive action--as, for example, against Cuba--since in his request the Soviet delegate cited Article 53 of the UN Charter, which provides that "no enforce-

ment action shall be taken... by regional agencies without the authorization of the Security Council."

Meanwhile the US Consulate fears Trujillo may discover and kill the moderate and pro-US leaders of a coalition of dissidents that includes students on the left and high-ranking officers of the armed forces on the right. Trujillo may take over the presidency from his puppet, Joaquin Balaguer, at any time.

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THREATENED POLITICAL CRISIS IN VENEZUELA OVER POLICY TOWARD CUBA

Venezuelan President Betancourt's coalition is facing a split over policy toward the Castro regime--long an explosive political issue and a source of unrest in Venezuela--as an aftermath of the San Jose meeting of OAS foreign ministers. Foreign Minister Arcaya's refusal to sign the final OAS resolution against extracontinental intervention in the hemisphere, to which Betancourt subscribed unconditionally, clearly emphasized the sharp division in Venezuela between pro- and anti-Cuban elements, touched off a series of pro-Castro demonstrations, and resulted on 6 September in Arcaya's resignation from the cabinet.

The supporters of Cuba in Venezuela are rapidly becoming synonymous with the militant opposition to Betancourt. Arcaya's leftist, pro-Castro Democratic Republican Union (URD) party is still a member of the government coalition.

Pro-Castro elements in Venezuela are probably stronger

than in any other country in Latin America outside Cuba. In addition to the URD, they include: the Venezuelan Communist party (PCV); the Revolutionary Leftist Movement (MIR), a recently organized Marxist party composed of defectors from Betancourt's own Democratic Action party (AD); probably a minority fraction of AD; and the Venezuelan Confederation of Workers (CTV), the principal Venezuelan labor organization, which is controlled by the AD but penetrated by Communists. The CTV recently signed a mutual assistance pact with its counterpart in Cuba.

Betancourt, most government officials, the Catholic hierarchy, the armed forces, and the Christian Democratic COPEI party --a member of the coalition government--have become increasingly alienated by Castro or are actually hostile toward him.

Venezuela, which has the largest US investment in any Latin American country--some three billion dollars--is a

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logical target for Castro's anti-US program. Cuba has maintained close liaison with the URD, Communist, MIR, and leftist labor leaders in Venezuela.

ganda and other support of the Castro regime.

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Cuban aid has probably been given to other opposition leaders for propa-

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SINO-SOVIET RELATIONS

noninevitability of war, play into the hands of the imperialists. On 1 September Pravda published a lengthy critique of a series of articles by the Yugoslav theoretician Edvard Kardelj which had appeared during August in the Yugoslav party paper Borba.

The article attempts to dissociate the Soviet party from Kardelj's analysis of the current world situation and his criticism of the Chinese, and to establish the Soviet position as the centrist one between "left-wing dogmatist" (Chinese) views and "right-wing revisionist" (Yugoslav) views. The USSR finds Kardelj's views unacceptable because they do not level the major attack on the imperialists as the most likely cause of war, because they do not "correctly assess the class nature of war," and because they admit that it would be possible for a socialist state to begin a war--in fact, accuse the Chinese of wishing to do just that.

The Soviet Union would have considered these concepts heretical at any time, but it is particularly important at

Chinese Communist journals have continued to affirm positions offensive to Moscow, although Peiping has not resumed its all-out polemic. Red Flag on 1 September, commenting on Cuba, found occasion to reiterate Peiping's line on the immutable nature of imperialism. People's Daily on 4 September printed the full text of a July article attacking "revisionism" in cultural affairs.

The Soviet party has made another public move to protect itself against the Chinese charge that it is "revisionist" and that its current policies, particularly its championing of peaceful coexistence and the

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this time for the Soviet party to differentiate its views from those of the Yugoslav "revisionists" rapidly and authoritatively, and it has done so.

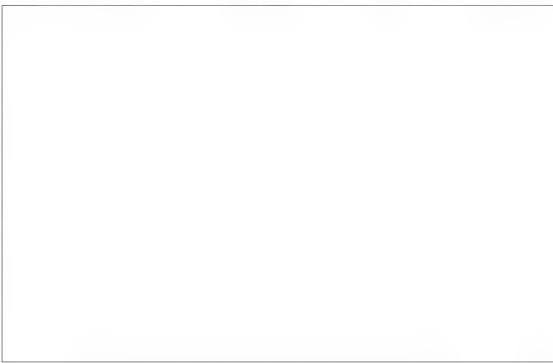
That the party is aware of the force of Chinese arguments concerning Soviet "revisionism" on the more leftist elements of the international Communist movement was demonstrated in a section of the long Soviet statement distributed at Bucharest in June. In arguing that the Soviet party had always upheld the "purity of Marxism-Leninism," the letter noted proudly that the USSR was the first to take "an uncompromising stand" against Yugoslavia in 1958 and again after the conclusion of the fifth congress of the Yugoslav party in May 1960. Now it can again claim that it was the first to attack the latest manifestation of revisionism. At the same time, the Soviet comment on Kardelj leaves unrefuted the greater part of his charges against the Chinese.

Khrushchev, as head of the USSR's delegation to the forthcoming UN General Assembly, can be expected while in New York to underscore his commitment to his own version of "peaceful coexistence" and to high-level negotiations. The high level of the representation of the East European countries and the other Soviet republics which have membership in the UN appears designed to demonstrate satellite party support for the Soviet Union and to emphasize Communist China's isolation on these questions.

The Ukrainian and Belorussian delegations and the delegations of all the East European members of the UN except Albania will be headed by their respective

party chiefs, rather than governmental figures, as is the normal practice. There is some question, however, as to the position of the Albanian party, as the party first secretary has not fully endorsed Khrushchev's program.

The Soviet party recently took another step to prepare for the November meeting of Communist parties--in Moscow--which will try to resolve the Sino-Soviet dispute. Moscow [redacted] sent another letter-- 25X1 the second since early July-- to the other parties of the world in which it admitted "sharp and strong" differences with Peiping, reaffirmed all of the Soviet positions in the dispute, and called for an end to discord based on "sheer dogma-- 25X1 tism."



As for other Communist parties, the Indian party, since 25X1 receiving the Soviet party letter, is reported to be lining up behind Khrushchev [redacted]

[redacted] The North Vietnamese are still apparently hoping to avoid a firm commitment to either side. Since mid-August, neither North Korea nor 25X1 Mongolia has ventured statements which might be interpreted as choosing sides. [redacted]

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DE GAULLE'S RECENT STATEMENTS

The line taken on the world situation by De Gaulle in his 5 September press conference--as well as at the start of his 7-11 September speaking tour of Brittany--probably indicates his feeling that this is a propitious time to press his bid for a greater leadership role in the Western alliance. His chief proposals--already familiar through earlier suggestions made privately to US and British officials--were for a revision of NATO to organize the major Western powers for political cooperation in Africa and the Middle East.

De Gaulle argued that anarchy and the implicit threat of Communist domination in the Congo might have been avoided, had the members of the Western bloc coordinated their policies on that area. He ruled out the UN as an instrument for accomplishing this, charging that its unity is fictitious and many of its members "irresponsible."

In his proposals for the European Economic Community as well as for NATO, De Gaulle maintained that individual states are the only realistic basis for any multilateral organization. He particularly insisted that even in a military alliance, defense of each country's soil must have "a national character" to be effective. His reference to France's new status as a nuclear power implies that he regards all of these changes as likely to increase France's influence in world affairs.

On the Algerian question, De Gaulle adhered to the solution he had proposed previously. He declared that France would ignore any UN resolution on Algeria and presumably would ignore as well any move by the UN to accept the recent rebel invitation to supervise a referendum in Algeria. He took a step to encourage resumption of truce talks with the FLN, however, with his assurance that when the rebels halt terrorism they can expect more favorable treatment at ceasefire talks. He also offered more explicit assurances that the rebels could ultimately be reintegrated into the Algerian community.

De Gaulle insisted that the Algerian situation is moving ahead, that progress toward turning over governmental responsibility to the Moslems is steady and irreversible, and he implied a belief that an "Algerian Algeria" with friendly ties to France would be the only logical outcome of eventual self-determination.

French reaction to De Gaulle's statements has indicated disappointment that they did not contain any fundamentally new ideas. Most press comment has centered on the absence of a new formula for ending the Algerian war--a subject on which editorial expectations continue unrealistically high. Public hopes for a policy clarification now will probably focus on De Gaulle's visit to Algeria next month. 25X1

EUROPEAN CONFEDERATION PLAN

President de Gaulle's proposals for a European confederation, which he brought before the public in his 5 September

press conference, continue to provoke general misgivings among the Common Market countries, which would most likely be its

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constituent members. Many see the plan as a direct threat to the federalist-inclined Common Market as the main instrument for achieving European unity, and beyond that as a device for extending French influence in NATO.

Concern on both these points has been heightened by indications that the new arrangement would be permanent and more formal than had been supposed. A new treaty would be required to establish the proposed council of heads of governments and ministerial committees for political, cultural, and military affairs, and De Gaulle now has publicly stated he wants a European referendum to bring the confederation into being.

Although it is uncertain to what extent existing institutions would be replaced, the Common Market would be made subordinate to the new organization. The new defense committee would probably be concerned with joint weapons production and logistics problems, but it could drift into military planning--a function heretofore largely reserved to NATO.

The reservations this concept raises in all the Common Market capitals have been most forthrightly expressed in The Hague. Dutch Foreign Minister Luns--who saw De Gaulle on 31 August--has made it clear on several occasions that he feels the confederation approach would detract from the trend toward real European integration and dilute the significance of NATO.

He, like Adenauer, believes Common Market President Hallstein has attempted to advance political integration too fast, but both Luns and Adenauer still hold that the supranational approach is essential to any workable European structure.

Despite these reservations, there is a hesitancy to reject out of hand the confederation plan. Dutch officials, aware of the extent to which De Gaulle has not obstructed France's participation in the Common Market, have warned Luns against driving the French into "isolation." It is generally recognized that, with the Common Market developing so fast, there is growing need for similar progress in the political field. Those seeking such progress may hope that De Gaulle's proposals are open to compromises which could add up to a significant French commitment to political integration.

These considerations, plus the special importance to Adenauer of the Bonn-Paris entente, are probably responsible for Bonn's ambivalent attitude. German officials have been vigorously reasserting Bonn's strong support of both the Common Market and NATO and have taken pains to deny earlier reports of Adenauer's disenchantment with supranational institutions. 25X1

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****8 September 1960****MOROCCO PRESSES CLAIM TO MAURITANIA**

The Moroccan Government is seeking support for its claims to Mauritania, the West African autonomous republic which becomes independent within the French Community on 28 November. The issue is characterized by a Moroccan Foreign Ministry official as a "life and death issue" and seems certain to cause new difficulties in Morocco's relations with France. Although no mention is being made at this time of Spanish Sahara and the extreme western portion of the Paris-administered Sahara Desert--both of which lie between Morocco and Mauritania--Rabat also aspires to control these areas.

Rabat claims that Mauritania has been a part of Morocco since the 16th century and that the Moroccan sultan collected taxes there until 1920, when France altered the administrative set-up. Morocco also charges that France refused to put the question before a mixed commission which was to be established in 1956 to define Morocco's southern boundary. The counselor of the French Embassy in Rabat characterizes Morocco's asser-

tions as "fantasy" without legal or historical basis.

Immediately after Morocco regained its independence in 1956, right-wing nationalist leader Allal el-Fassi began a largely one-man campaign to "reintegrate" Mauritania and the intervening areas. A year later, a group of 254 Mauritanian leaders and tribal chieftains pledged loyalty to King Mohamed V, and some of these leaders now occupy prominent positions within the Moroccan Government. The King publicly endorsed El-Fassi's territorial aspirations early in 1958, and during his tour of the Middle East early this year obtained commitments of support from all Arab governments. These commitments were honored when the Arab League last month endorsed Morocco's claims to Mauritania.

Morocco plans to ask the forthcoming United Nations General Assembly to refer the issue to the International Court of Justice and, in the meantime, to refrain from recognizing Mauritanian independence. Moroccan Crown Prince Moulay

Hassan, who will initially head Morocco's UN delegation, may again suggest--as he did in June--that a referendum in Mauritania would be an acceptable solution. Nevertheless, territorial aggrandizement has become a popular issue with left-wing as well as right-wing Moroccan nationalists.

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MIDDLE EAST HIGHLIGHTS**Jordan-UAR**

Tensions remain high between Amman and Cairo in the wake of the assassination of Jordanian Prime Minister Majalli on 29 August. The Jordanian radio and newspapers continue to charge UAR complicity in the crime, and crowds of demonstrators have milled about the streets of Amman shouting "Death to Nasir."

The UAR Government has indicated that it has no intention of complying with Jordan's request for extradition of the two Jordanian nations who slipped across the border into Syria after allegedly setting the time bombs in the prime minister's offices. Radio Cairo has suggested that King Husayn's greatest service to his country would be to resign.

Husayn is concerned about the possibility of an attempt on his life and has threatened extreme measures against any further UAR-sponsored or UAR-inspired subversive action against Jordan. In response, a Cairo newspaper headlined "His Majesty Mickey Mouse Threatens Us With War."

Israel's reaction to the assassination of Majalli has been one of concern over the possible fate of Jordan, which shares a 330-mile border with Israel. Israel has long preferred Husayn's relatively weak and less hostile regime to the possibility of a Nasir-controlled or -influenced government in Jordan. Israeli armed forces maintained a careful watch following the assassination. Later, when it was apparent that the Jordanian Government was still in firm control of the situation, Israeli Foreign Minister Meir expressed admiration for the King.

Iran

The regime in Iran continues attempting to regain public confidence after admitting that last month's elections were rigged and canceling those not yet held. The new premier, Sharif Emami, has selected his "nonpolitical" cabinet, which contains nine new members and six holdovers from the Eqbal cabinet. On 3 September, the Shah convened the committee which is to amend the electoral law in preparation for new elections at some undesignated future time. The Shah has still not solved the problem of how to obtain an obedient parliament while giving the appearance of holding free elections. He may well believe that if he fails a second time, he may have no further opportunities.

The nationalists, suppressed since the downfall of Premier Mossadeq in 1953, and other political opportunists see the situation as more open to exploitation than any in the past several years and are becoming increasingly active. The security forces, while still capable of strong action, have been cautious in handling initial public demonstrations promoted by the opposition.

Middle East Oil Conference

Sheik Abdullah al-Tariki, Saudi Arabian oil boss, and Antonio Araujo, Venezuelan ambassador to Cairo, Baghdad, and Jidda, have set up a high-level meeting in Baghdad on 10 September aimed at adopting a "unified attitude" against the oil companies for reducing prices "unilaterally and without consultations." Iraq's Oil Ministry has invited representatives of Saudi Arabia, Kuwait, Qatar, Iran, and Venezuela. These countries produce about 8,000,000 barrels

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a day--almost half of the free world's crude oil production--and account for most of the crude oil moving in international trade.

The UAR, which recently broke relations with Iran, apparently has not been invited. This omission, and the choice of Baghdad rather than Cairo for the conference site, may be designed to ensure Iranian attendance. The meeting was probably sparked by the Ruler of Kuwait, who asked Tariki, following the early August price cuts, to call an emergency protest meeting of Arab states.

Venezuela will be represented by Juan Perez Alfonzo, Venezuelan minister of mines and hydrocarbons. He and Tariki

have long advocated a scheme of government-controlled world-wide sharing of markets and price maintenance, but until the recent cuts they were unable to win any important support from other Persian Gulf countries. It is not at all certain that Tariki's scheme has the sanction of the Saudi Government, nor is it clear that Perez would be able to convince Venezuelan President Betancourt to commit his government.

Despite the surface impression of Arab-Venezuelan-Iranian unity of interest in the pricing question, there are deep economic and political divergencies which would tend to prevent a world-wide scheme from operating successfully.

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POLITICAL DETERIORATION IN BURMA

Burma appears headed for a period of increased political tension and a possible showdown between the army and Prime Minister Nu.

Army leaders, who opposed Nu's return to office last April, are increasingly dissatisfied with the government's administrative stagnation and Nu's conciliation of leftist opposition groups. They are planning to urge General Ne Win to intervene with Nu to obtain more forceful leadership and administrative discipline. They resent the speed with which Nu has countermanded many of the reforms made during the general's 18-month military regime and fear that the ruling Union party may attempt to undermine army influence and solidarity by creating party units within the army or by developing the police as a counterforce. If the situation fails to improve, Ne Win's lieutenants may attempt, without Ne Win, to oust the government.

General Ne Win, who has just returned from three months

abroad, is also concerned about the government's deterioration since he left the premiership and undoubtedly will warn Nu of the army's dissatisfaction with the government's indecision and drift. However, Ne Win is likely to oppose any direct army action at this time, both because of his personal distaste for political office and because of the discontent, and possible civil strife, which would probably follow a second military take-over. The February elections illustrated both the army's unpopularity and Nu's widespread support.

Ne Win may not be able to restrain his colleagues indefinitely, however. His command of the army's loyalty is reported to have slipped since he resigned as prime minister, and the army tends to blame him for his decision to reinstate Nu as prime minister.

Prime Minister Nu may respond by attempting to tighten his administrative discipline. If he does, however, he faces

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the prospect of revolt within his party, which is a loose coalition of divergent factions. Despite his popular following, he has been unable to enforce discipline even on minor issues

of party policy. Any efforts at effective leadership on his part could result in his ouster through a parliamentary vote of no confidence.

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INDONESIA AND THE KAREL DOORMAN CONTROVERSY

Tokyo's decision on 3 September to cancel the good-will visit of the Dutch aircraft carrier Karel Doorman to Yokohama, as the result of Indonesian pressures, has provoked a bitter reaction in The Hague. Foreign Minister Luns is considering withdrawing the Dutch ambassador from Tokyo but not breaking relations with Japan. Japan felt compelled to take action, in view of Indonesia's threat of commercial and diplomatic retaliation if the visit took place. Tokyo was also influenced by pressures from Japanese leftist groups and by warnings from the Japanese ambassador in Djakarta that the Indonesian Communists would benefit from repercussions of the visit.

The Karel Doorman, already en route to Japan when the visit was canceled, is returning to West New Guinea before departing on 17 September for Noumea, New Caledonia. Its return to New Guinea will be exploited by President Sukarno and the Indonesian Communist party to stimulate further anti-Dutch feeling and demands for the "liberation" of West New Guinea. Sukarno's rubber-stamp parliament has demanded the seizure of remaining Dutch interests in Indonesia, and the possibility has again been raised of an incident between the Indonesian Air Force and the Dutch naval units. If such should occur, however, it would probably be the result of a chance encounter rather than of deliberate provocation by either side.

Sukarno is particularly eager for a national unifying issue which he can use to obscure a domestic crisis precipitated by the army's ban on Communist activities in several areas. He has scheduled a meeting with national and regional civil and military officials for 12 September in order to discuss these bans.

Sukarno also plans to attend, probably in early October, the UN General Assembly session opening on 20 September. He will deliver an address, reportedly on world tensions, with emphasis on colonialism. The subject of West New Guinea undoubtedly will be stressed, although the Indonesian Government has not divulged whether it will use the occasion to press its claim to the area. The Dutch, on the other hand, have indicated they may advance a proposal outside the General Assembly that they develop New Guinea under some form of UN supervision.

First Minister Djuanda claims to have extracted a promise from the Indonesian Army that the ban on the Communists will not be extended to other areas before the 12 September meeting. Sukarno at that time will probably insist that Indonesia's international prestige requires united national support for him while he is at the UN and the cessation of any divisive movement such as the army's anti-Communist campaign.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****8 September 1960****SWEDEN'S PARLIAMENTARY ELECTIONS**

Sweden's Social Democratic party, which has held power alone or in coalition for almost three decades, is expected to lose some voting strength in the parliamentary elections on 18 September.

Both the Social Democrats and the generally more conservative opposition parties regard the present parliamentary situation as unsatisfactory, in view of the almost equal division of strength between the two blocs. This situation gives the seven Communist deputies in the two chambers controlling power on key economic legislation--a fact embarrassing to the government, despite its refusal to solicit Communist support. The Communists, who have no more than a nuisance value in Sweden's political life, are expected to hold their own. Their decision to run candidates in all election districts is likely to further detract from Social Democratic voting strength.

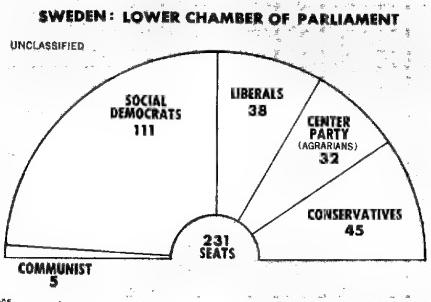
In an election campaign marked by a lack of popular interest, the Social Democrats have sought to rally their supporters among labor, small farmers, and the white-collar workers by warning that today's extensive social welfare benefits will be jeopardized if a non-Socialist government assumes power. The Conservative, Liberal, and Center parties are basing their appeal on public dissatisfaction with the ever-increasing cost of government and certain aspects of the social welfare program.

Foreign policy has not been a serious issue in the campaign. All the democratic parties subscribe to Sweden's policy of nonalignment. Social Democratic leaders have sought to portray spokesmen of the opposition parties, particularly Conservative party leader

Hjalmarson, as not wholeheartedly supporting this policy and favoring closer ties with the West. The resulting discussion, however, has served merely to underscore the broad measure of agreement among the parties on the basic points of Sweden's foreign policy.

The question of acquiring a nuclear capability has until recently been sharply debated. All parties, however, now accept the government's plan to defer until 1963 the decision as to whether to proceed with actual weapons research.

The strength of the Social Democrats may decline somewhat



in line with the general trend since World War II, but it is by no means certain that they will sustain the loss--three or four seats--considered necessary to cause Erlander to end his 15-year premiership. The opposition parties are already speculating about the composition of a successor government, but their disparity of views on domestic problems would create obstacles in seeking a basis for agreement. A Conservative proposal that the postelection government comprise all four democratic parties has been turned down by the Social Democrats.

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SOVIET AGRICULTURAL LEADERSHIP IN FLUX

Top-level party and government direction of Soviet agriculture remains in the state of flux apparent more than a year ago.

On 5 September Moscow announced the appointment of Tikhon Yurkin as minister of grain products in the Russian Republic (RSFSR), a post which had been vacant since the transfer of the incumbent on 25 June. Yurkin, a long-time agricultural specialist, succeeds Fedor Kulakov, who was appointed party chief of Stavropol Kray. Kulakov was not officially removed from his agriculture post until 4 August, however, and Yurkin was not named as his replacement until a month later--circumstances which appear symptomatic of some vacillation in the area of agricultural assignments.

A number of other important agricultural posts have changed hands in recent months. Georgy Denisov, who headed the central committee's Department of Agriculture for the Union Republics, was switched to the lesser position of ambassador to Bulgaria on 21 May, while the holder of the equivalent post for the RSFSR, Georgy Vorobyev, was appointed party first secretary in Krasnodar Kray on 9 June.

Although their replacements have not yet been identified, the continued existence of the key centers of party control of agriculture--the central committee departments--was indicated in the Soviet press on 9 July. It is possible that one of the two posts has been filled by Stepan Kalchenko, who was transferred on 15 June from his assignment

as RSFSR minister of agriculture to unspecified "other work."

The latest round of changes in Soviet agricultural positions--each of the posts affected had been newly filled at about the same time only a year earlier--is undoubtedly an aftermath of the disappointing farm production in 1959. There are, at the same time, some signs that the Kremlin hierarchy, either because of indecisiveness or contention, is having difficulty giving firm direction to the perennial "soft spot" in the Soviet economy.

Apart from some "paternal advice" delivered by Khrushchev during a recent visit to his native village, Kalinovka, the Soviet party chief has had virtually nothing to say since the central committee plenum last December on a subject long dear to his heart. There has as yet been no indication that his presumed top agricultural aide, Nikolay Ignatov, who was transferred from the party secretariat to the Council of Ministers last May, has retained his role in agricultural supervision.

The December central committee meeting, which appeared at first to be on the verge of enacting significant changes in agricultural organization, trailed off into inconclusiveness and ambiguity. A more recent conclave of agricultural specialists, held in the Kremlin from 14 to 17 June under the auspices of the Ministry of Agriculture, concerned itself mainly with technical problems. Although the larger issues of reorganization were raised, the gathering obviously

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did not have the authority to make final decisions on outstanding matters, some of which had been consigned to



IGNATOV

the party presidium for solution by the central committee last December.

With Khrushchev on vacation and Ignatov merely present and not heard from, the meeting was dominated by the USSR minister of agriculture, Vladimir Matskevich. Although he is an alumnus of Khrushchev's old Ukrainian apparatus, Matskevich has been heavily buffeted by official criticism and appears to be more representative of the specialist's

point of view than of the party-political command's.

With Khrushchev set to embark on a new series of international junkets and no central committee meeting scheduled for the immediate future, there is no clear indication as to when new measures affecting agriculture will be undertaken. However, it seems likely that a special effort will be made to resolve



MATSKEVICH

some of the outstanding issues before the next party congress scheduled for late 1960 or early 1961.

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PROPOSED CHANGES IN SOVIET ECONOMIC PLANNING

Details of a proposal to create 14 economic coordination and planning councils were expounded in a recent issue of Planned Economy, official organ of the Soviet State Planning Committee (Gosplan). A planning official has confirmed that

establishment of some such councils is "in the offing."

Other recent refinements in economic administration and planning have included the establishment of republic-level Councils of National Economy

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(sovarkhozy) in the RSFSR, Ukraine, and Kazakhstan and the transfer of some long-term planning functions from Gosplan to the State Scientific-Economic Council (Gosekonomsoviet).

These changes are part of the regime's continuing efforts to obtain the benefits of both central control--for effective planning and the promotion of USSR-wide objectives--and operational flexibility at the local level to spur initiative and promote efficiency. This was expressed early this year by a Soviet economist as the need for a "properly combined administrative and economic independence of enterprises and centralized guidance by the state."

According to the scheme presented in Planned Economy, the Soviet Union will be redivided for purposes of regional planning into 16 basic economic regions instead of the present 13. So-called "Economic Councils for the Coordination and Planning of the Work of the Sovnarkhozy" are to be created in 14 of these regions, 11 of which are in the RSFSR. The other three will cover the rest of the USSR with the exception of the south region (Ukraine-Moldavia) and Kazakhstan, where coordination and planning problems are to be handled by republic councils of ministers, republic planning agencies, and republic sovnarkhozy.

The councils would deal with territorial planning problems such as the development of complementary industries in adjacent sovnarkhozy within each natural economic region. They would provide a type of

coordinated regional development which neither the republic bodies nor the individual sovnarkhozy now accomplish.

The councils would work out for higher planning organs proposals and recommendations about the basic direction of development in their respective regions, new technological developments and their effective introduction in production, the correct distribution of capital investment, improvements in specialization, cooperation, and combination of enterprises, and better utilization of labor and natural resources. They would work out balances for products to be produced and consumed mainly within the boundaries of each economic region.

The relationship of the councils to the USSR planning agencies and the republic sovnarkhozy has not been revealed. However, an official of Gosekonomsoviet informed members of a recent American delegation that these councils would be subordinate to his organization.

The problem of assuring systematic regional development was actively discussed at the time of the 1957 reorganization of the economy and has been a frequent topic in the Soviet press since then. Establishment of councils to facilitate planning in terms of natural economic regions is a logical outgrowth of these discussions and is in line with a Khrushchev statement in mid-1958 that larger economic regions for planning rather than operational purposes would be established in a second stage of the reorganization. 25X1

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POLISH PEASANTS BLAMED FOR FIVE-YEAR PLAN FAILURE

Gomulka, in a speech at a Polish harvest celebration on 4 September, castigated peasants for achieving only a 19-percent increase in agricultural production during the Five-Year Plan (1956-60) instead of the planned 25 percent.

Gomulka admitted effective opposition to his policies in agriculture when he called for laws to permit the use of "compulsions and sanctions against those who, contrary to the general trend among the peasants, hamper and make progress in the field of agriculture impossible." This charge expresses Gomulka's disappointment over the peasants' lack of enthusiasm for his plans to form "agricultural circles" in every village.

The primary purpose of these organizations is to purchase, with funds contributed by the state and the members, machinery for cooperative use. Although many peasants--Gomulka claims 800,000--have joined the circles for whatever benefits they can gain, the impact of the movement on agriculture has not been great. The peasant has continued to pursue his methods of farming and resist the regime's ideas and programs.

Gomulka asserted that, despite an early drought and recent floods, the harvest

this year would be almost equal to last year's. While this might be true in some cases, the 1959 grain crop was a near record, and it is not likely that this year's crop will match it in view of the weather conditions. Recent optimistic statements about crops by the regime may be an effort to combat hoarding of food and reassure persons alarmed by official statements exaggerating the drought and flood damage.

The answer to Poland's agriculture problems lies less with the peasants than with their government's agricultural policy. To increase his livestock production, the peasant needs more fodder crops. To increase the output of fodder, he needs more fertilizers, improved seeds, and insecticides, rather than machinery. Machinery will play a large role in Polish agriculture only when small holdings have been merged into large units, something Gomulka desires but cannot yet put into effect.

Recognizing this, Gomulka speaks only of "the socialist transformation of the countryside when the successes of the cooperative farms have inevitably paved the way." He therefore remains uncommitted to a schedule for agricultural collectivization.

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PART III**PATTERNS AND PERSPECTIVES****BRITAIN ADVANCES INDEPENDENCE SCHEDULE FOR COLONIES**

The 1959 electoral victory gave the British Government greater freedom to make concessions to nationalist demands in its colonies and protectorates, even in territories unprepared to handle their own affairs, and the pace of granting independence has been markedly stepped up. As a result, according to present plans, probably only a few colonies needed for their strategic bases, together with various scattered small islands, will be retained for long.

Former Colonial Policy

The British policy in preparing colonies for independence for years had consisted of introducing parliamentary democracy in stages, starting with appointed councils advisory to the governor and continuing on to the attainment of full self-government. Training of a cadre of civil servants in administrative techniques was a crucial part of the process, as was the attempt to develop a judiciary and police independent of political control. Another prerequisite for independence was extensive development of colonial economic resources.

London hopes Nigeria's attainment of independence by this process on 1 October 1960 will prove an example and facilitate constitutional development along desired lines in Britain's other African territories. The Nigerians have recently emphasized the contrast between their self-government capabilities and those of the Congolese.

New Policy

The new policy is to grant independence as soon as possible, without any long period of

preparation for self-government, to all but a few "fortress" colonies and small island outposts where nationalism has not begun to develop and which are not viable by themselves. Britain is no longer willing to hold colonies by force in the absence of very strong strategic interests.

Where local demands are intense, London will grant independence even if the country is not considered ready. British Somaliland received independence

INDEPENDENCE PROGRAM FOR BRITISH TERRITORIES**CONFIDENTIAL NOFORN****GRANTED OR SCHEDULED:**

26 June 1960	British Somaliland
16 August 1960	Cyprus
1 October 1960	Nigeria
27 April 1961	Sierra Leone

ESTIMATED:

March 1961	Cameroons, (deadline for plebiscite on union with Nigeria or Cameroun.)
1961	Federation of Rhodesia and Nyasaland (major constitutional changes likely in 1961, perhaps involving early independence for Nyasaland.)

1961 or 1962	West Indies Federation
1961 or 1962	Tanganyika
1962	Uganda
1962	Zanzibar
1962 or 1963	Kenya
1962 or 1963	British Guiana
1965	Aden
after 1965	British Honduras
after 1965	Brunei, Sarawak, North Borneo (these territories may federate with each other or with Malaya and/or Singapore.)

after 1965	Gambia
after 1965	Mauritius

(British control is expected to continue in Gibraltar, Hong Kong, Malta, Singapore, Basutoland, Bechuanaland, Swaziland, and the islands of Fiji, Falklands, St. Helena, Bermuda, and Bahamas.)

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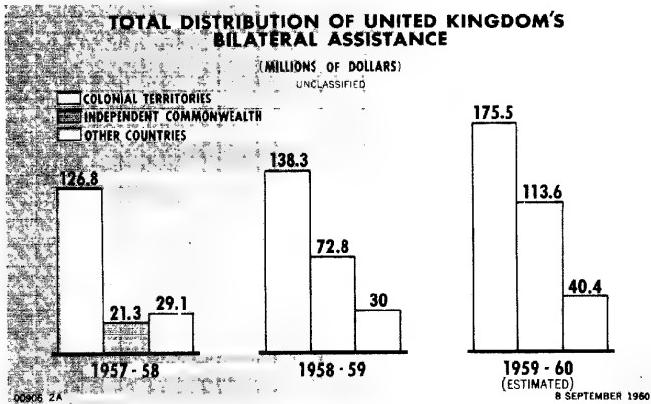
on 26 June 1960 although it had reached the stage of ministerial government depending on an elected majority in the legislature only in February. London is also apparently willing to relinquish Zanzibar--where nationalist pressures have erupted recently--within a few years. Even in British Guiana, where the dominant party is controlled by the Communist Cheddi Jagan, London will introduce nearly complete internal self-government in August 1961 and will consider independence as early as 1962.

The advantages of holding colonies have drastically dwindled, and the British therefore can avoid the opprobrium of being called imperialists by both international and domestic public opinion. Britain would prefer also to have greater

000,000, more than aid for all British colonies and protectorates together for the fiscal year 1959-60. Areas such as the West Indies are therefore being pushed toward independence. London apparently expects to shift part of the aid burden for independent countries elsewhere--mainly to international organizations, the United States, Canada, and West Germany.

An overwhelming electoral victory in October 1959 gave the Macmillan government a freer hand for making policy changes, as was immediately exemplified by the appointment of Iain Macleod as colonial secretary. Macleod has already made concessions which would have been inconceivable a few years ago. An early resolution of outstanding colonial problems would facilitate Macleod's advance to

the Foreign Office or even the prime ministership within a few years. In any case, the Macmillan government presumably seeks to dispose successfully of a number of its colonial problems before a new election becomes mandatory in 1964, in order to avoid the chance that a colonial crisis might contribute to a Labor victory.



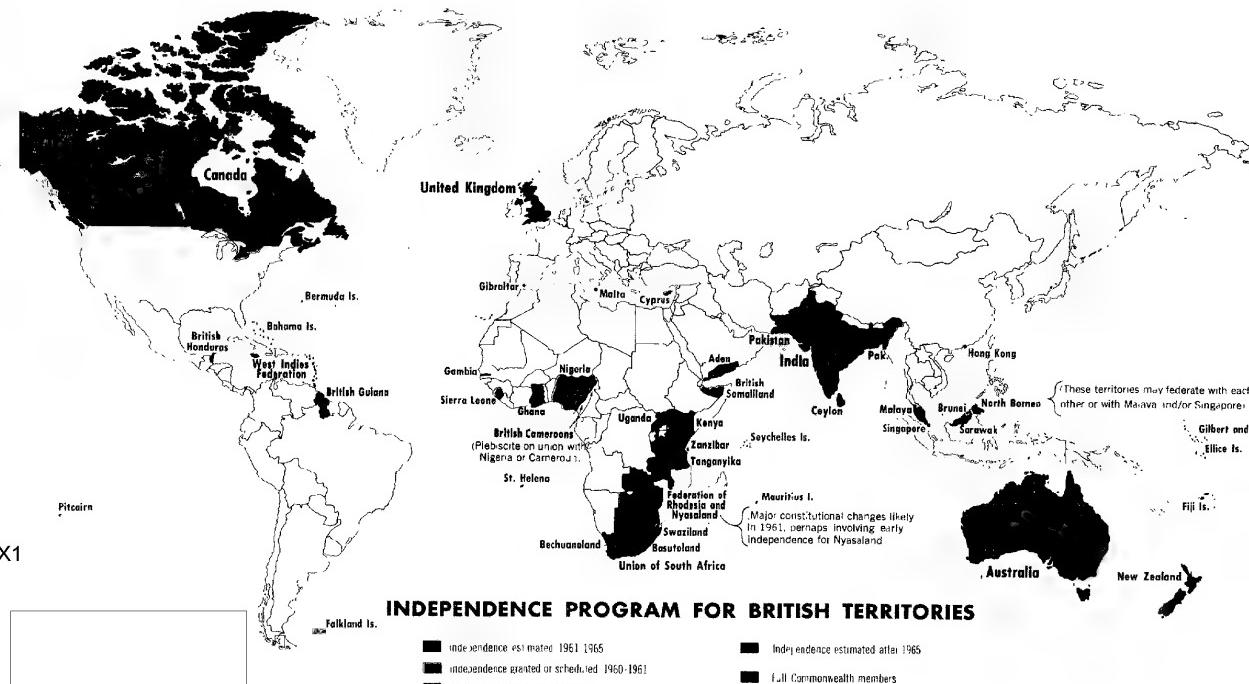
flexibility in allocating its financial resources. Although London expects to continue to increase overseas aid annually, independent countries usually receive loans, whereas colonies more often have required grants and have represented an inescapable obligation.

Britain's limited resources make large colonial expenditures incompatible with such priority objectives as providing massive aid to India, to which loans and grants promised from 1949 to the present run over \$50,-

The fortress colonies of Singapore, Malta, Gibraltar, and Aden cannot attain sovereignty as long as their bases are considered strategically necessary. London has hoped that the "state" of Singapore, which has full internal self-government except for a British-Singaporean-Malayan council for internal security, may prove a precedent for similar areas. London retains control of defense and foreign affairs and has contingency plans

Fortress Colonies

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- Independence estimated 1961-1965
- Independence granted or scheduled 1960-1961
- Continuing British control expected
- Independence estimated after 1965
- Full Commonwealth members

ready for suspending the constitution should political developments threaten continued effective use of the base. In time, Britain might not consider the base sufficiently important, however, to maintain by force if confronted with economic chaos and sustained political opposition.

A similar arrangement is apparently envisaged for Malta. This would involve British control of defense, foreign affairs, and internal security, but with less elaborate constitutional apparatus than Singapore's. A constitutional commission has just been appointed to devise methods of returning self-government--suspended after disorders in 1958--to the island by the spring of 1961.

In Aden, the main base in the Persian Gulf area, restrictive labor legislation introduced in August underlines London's determination to curb nationalists working through the

labor unions and thus to retain its position there for at least five years.

Basic Aims

London hopes to maintain a reservoir of good will by showing willingness to compromise and by continuing to provide some financial aid and technical assistance to the newly independent countries. In the cases of Sierra Leone and the West Indies, Britain is preparing to grant independence before the attainment of financial solvency and has committed itself to continue grant aid after independence.

A major British aim in some colonies seeking independence is to retain defense facilities and overflight rights as long as possible. For this privilege Britain will provide training to the colony's military forces after independence. In Cyprus, Britain retains full sovereignty over 99 square miles of bases and has special rights in other

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areas for training purposes. In other cases, London is attempting to arrange a defense agreement ensuring continued use of desired facilities, such as the Kano airfield in Nigeria and the Freetown naval base in Sierra Leone.

There are already signs that these countries may be reluctant to sign defense agreements after independence, however. In that case London will take whatever is obtainable, preferring the kind of informal understandings it has with India and Ceylon regarding air transit rights to a formal agreement likely to be broken. Much will depend on whether Britain's military planning continues to demand a chain of bases and overflight rights over territory linking them, and whether the experience in Cyprus breaks the usual pattern of the British being ejected from bases in newly independent countries.

London is anxious to avoid the impression that it is exercising indirect control over newly independent countries. It therefore turned down a proposal by a group of prominent backbench Conservatives to amalgamate the Colonial Office and Commonwealth Relations Office (CRO). Despite the ever-increasing problem of colonial civil servants facing unemployment because of a reduction of available posts, the government is reluctant to employ former colonial officials in the CRO.

Problems

The disposition of scattered small territories is a principal problem. Those expected to remain as permanent wards of Britain, economically speaking, might get increasing local government as the demand develops--as is beginning in Hong Kong--and perhaps some "window dressing" of sovereignty such as flags and separate currencies. London is increasingly

willing to consider complete independence for such unpopulous territories as British Honduras (90,000), and would not object if they chose to leave the Commonwealth. Some contiguous territories, as in Africa, could be grouped into federations, but others--such as Sarawak, North Borneo, and Brunei--are too disparate in resources and political development to have much interest at present in uniting.

Independence for the smaller dependencies threatens to disrupt the traditional Commonwealth structure, which affords implicit equality to all members. There is a reluctance to admit the principle of second-class status. London now is querying other Commonwealth members as to whether they agree to the admission of Cyprus, and a Commonwealth committee is studying how such small territories should be treated when independent. Ceylon has proposed including smaller members in an inner council --like the UN Security Council--on a rotating basis. More probably smaller areas will be accepted as full members, and there will henceforth be less emphasis on plenary meetings of prime ministers and more on regional and other group discussions.

For the areas of East and Central Africa with major racial problems, the long-standing "partnership policy" is threatening to break down under the impact of events in the Congo and elsewhere in Africa. London has tended to favor the African majority in Kenya and the Federation of Rhodesia and Nyasaland at the expense of the white settlers. While London will probably retain these territories longer than more homogeneous ones such as Tanganyika, the outbreak of serious racial violence might increase the Macmillan government's desire to be freed of responsibility.

The Monckton commission on the future status of the Federation of Rhodesia and

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Nyasaland is due to report this fall. At the constitutional conference which may take place before the end of 1960, Britain will probably endorse the expected Monckton recommendations for at least partial loosening of the federal structure. Seven

years ago the Churchill government was prepared to inaugurate the federation against local opposition; London's apparent unwillingness to continue enforcing it underlines the shift in attitude toward the colonies.

* * *

THE USSR'S USE OF EDUCATION AT HOME AND ABROAD

Education has always been regarded by the USSR as a tool to be manipulated to increase the power of the state. It has long been used to mobilize Soviet citizens for service at home and abroad, and more recently as an increasingly important element in Soviet foreign policy.

Education for Service at Home

The Soviet regime has, since its earliest years, recognized its need for an educational system which would provide trained specialists--scientists and technologists--to carry out the planned expansion of the country's economy. The emphasis in the Soviet educational system is, therefore, on the needs of the state rather than on those of the individual.

From the early grades, Soviet schools emphasize science and mathematics. The Soviet student, by the time he has finished his secondary schooling, has completed ten years of mathematics (arithmetic, algebra, geometry, and trigonometry) and has studied physics and biology for five years each and chemistry for four years, which provides a good foundation for college-level specialization in these subjects.

"Scientific circles"--state-organized extracurricular groups--are designed to encourage and stimulate interest in the sciences they represent. Programs are planned to augment classroom material. Each year scientific circles sponsor "olympiad" competitions for students in the upper grades of secondary schools. In this way, gifted students are recognized early and encouraged to continue their studies.

The Soviet educational system is a highly selective one. Three stiff competitive examinations--to graduate from grammar school, to graduate from secondary school, and prior to admission to a higher educational institution--are designed to identify talented and well-qualified students. Those failing to meet high academic standards are sent to work in factories and on farms or to trade schools. For those who qualify for higher institutions and are within a quota established by the state, however, free tuition and living expenses are provided.

The quality of Soviet higher education varies with the field of specialty. Instruction compares favorably with that in the United States at both the

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undergraduate and graduate levels in mathematics and physics, and, in some aspects, is probably superior. Engineering training at the undergraduate level is more specialized than that offered in American schools, but the specialization is superimposed on a firm theoretical foundation. Graduate training in the engineering sciences compares favorably with US graduate training leading to the Ph.D. and D.Sc. degrees. The quality of education in the biological sciences is good, but biological sciences in the USSR generally have not yet reached the stage of advanced experimental work found in the United States.

Soviet education, both in basic and applied subjects, emphasizes the theoretical approach as opposed to the empirical. This orientation has hampered applied and experimental work in the past, but is gradually being overcome. A primary objective of educational reforms now being introduced is to increase the practical capabilities of students at the secondary- and higher-school level by combining education with work experience in factories, farms, and laboratories and by practical training at school. In the long run, excellence in theory, when coupled with experience and experimentation, will probably give Soviet scientists and technologists a profound advantage over Western colleagues short in theory.

While the size of the USSR's total professional manpower pool is significantly smaller than that of the United States, the Soviet Union has a greater number of scientific-technical personnel. Persons trained in scientific, technological, and teaching specialties, comprise 87 percent of Soviet professional manpower. The comparable figure in the

United States is 68 percent. The number of scientific and technical graduates in the USSR has increased approximately threefold in the postwar period and will continue to increase over the next decade. As of mid-1959 there were about 1,750,-000 employed graduates of university-level scientific and technical curriculums in the USSR, about 20 percent more than in the United States. The USSR also has about 81,300 holders of advanced scientific and technical degrees--nearly 15 percent more than the United States.

Soviet utilization patterns differ greatly from those of the United States. The USSR, for example, uses engineering and agricultural personnel extensively in positions in administration or management which in the United States are filled by graduates of business or liberal arts colleges and by high-school graduates with on-the-job training. Positions as foremen and farm managers, which in the United States are usually occupied by people without specialized college training, are also filled in the Soviet Union by graduates of higher technical institutions.

Engineers and other technologists now are found at all political-economic managerial levels in the USSR, including the highest circles of the party and government. They are in sufficient numbers to supply both domestic needs and large-scale foreign aid programs in the future.

Education for Service Abroad

Specialized training for service abroad is provided in the Institute of International Relations in Moscow. The director of the institute is appointed by the Ministry of Foreign Affairs, to which he is directly responsible, and many of the teachers are also employed in that ministry. Other teachers

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are drawn from the Ministry of Foreign Trade and from various language and history institutes of the USSR Academy of Sciences. In matters involving curriculums, however, the institute is also responsible to the Ministry of Higher Education.

In 1954, the institute, which until that time had offered only studies on Western countries, was reorganized into Eastern and Western departments, and in 1956 additional emphasis was placed on African studies. The institute now offers area and language training for the principal areas of the world.

The regular course is for six years, although postgraduate and refresher courses of shorter duration are also offered to selected members of the diplomatic corps. Each student in the Western department studies two Western languages for six years; Eastern department students are required to study one Eastern and one Western language for six years, but frequently also acquire some knowledge of at least one additional Eastern tongue. By the end of the third year, students are expected to know one language well, and to have a basic knowledge of a second.

Both departments also study Marxism-Leninism throughout the six years. History of the USSR, world history, history of diplomatic relations, and history of economic relations and of international law are also required subjects for both departments. A course in military affairs, including the organization of the Soviet Army, tactics, weapons, and special military training, although nominally not compulsory, is taken by all students, including the women.

Detailed study of the major area of interest, which is assigned by the institute with-

out reference to the student's preference, begins in the third year with economic geography and history.

There are said to be from 1,200 to 1,500 students in the institute, including approximately 250 from other bloc countries. From 20 to 31 percent of the Soviet graduates are reportedly assigned to the Ministry of Foreign Affairs, either for work there or for service abroad. The rest are sent to other Soviet ministries which have foreign departments, such as the Ministry of Foreign Trade; to the propaganda apparatus for press or radio work in the USSR; to the secret police or the military services; or to teaching posts in the USSR.

Reports on the effectiveness of this area and language training as evidenced in Soviet citizens working abroad have varied greatly. In some Soviet diplomatic missions, not only the officers and their wives but the clerical personnel have been described by observers as fluent in the local language and well briefed on the local culture.

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[redacted] the Soviet Foreign Ministry offers incentive awards of a 20-percent increase in salary for fluency in an Eastern language and a 10-percent increase for fluency in a Western language. In the Middle East, many Soviet representatives know Classical Arabic but are untrained in the modern colloquial

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tongues, although some efforts now are being made to teach these as well.

Soviet technical aid groups, with a few striking exceptions, are less well equipped in language and area training than are Soviet diplomats. In the UAR and Iraq, Soviet technicians must resort to English in providing technical advice. As a rule, the technical advisers keep to themselves and show no evidence of any special training in local customs or culture.

A Tool in Foreign Policy

Soviet use of educational aid offers as an instrument of foreign policy began early in the post-Stalin period, and has been concentrated in the main on the underdeveloped areas of the Middle East and Southeast Asia, with a scattering of offers to Latin America.

Scholarships, in which the USSR pays all expenses, and "accommodations" in which the USSR provides classroom space and the sponsoring government pays all other expenses, have been offered for periods ranging from six weeks to six years, and covering all fields from the performing arts to military training. Primary emphasis in academic training has been on science and technology.

Military training has been offered to the UAR, Iraq, Afghanistan, Indonesia, and Guinea. Since 1955, between 1,500 and 1,600 enlisted men and officers from these countries have gone to the USSR for varying periods of study in military specialties, the majority in connection with military equipment purchased from the USSR. Training has also been provided for general officers at the Frunze Academy in Moscow on strategy and tactics in modern warfare.

Acceptances have increased each year, but the Soviet Union

still has a long way to go to break down the overwhelming preference for study outside the bloc. Officials have announced that 15,000 foreign students were studying in Soviet institutions during 1959-60. Fewer than 1,000--seven percent--of these were from nonbloc countries. The 15,000 total is also small in comparison with the 47,000 foreign students in the United States this year, or with the 40,000 receiving higher education in Great Britain. Of the nonbloc students in the USSR this year, approximately 200 were from the Far East, 600 from the Near East and Africa, and 15 from Latin America. Of the 47,000 in the United States this year, 15,000 were from the Far East and 10,000 from Latin America.

There has been no evidence of Soviet interference in the selection of students under these educational aid programs. A great deal of pressure to indoctrinate them in Communism is exerted quite effectively, however, after their arrival in the USSR. While such scholarship aid students are nominally not required to take the courses in Marxism-Leninism required of Soviet students, all the resources of the highly regimented student life are mobilized both inside and outside the classroom to convince them of the superiority of the Soviet way of life. Attempts have been made to "protect" students from underdeveloped areas from the contaminating influence of foreign students from Western countries.

There is other evidence, however, which suggests that confrontation with Soviet reality is sometimes more educational than the USSR intended. Students from the underdeveloped areas who have qualified academically for study in Soviet higher educational institutions have come in the main from the privileged and more sophisticated

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classes of their countries. Many have been shocked by the contrast between Soviet boasts of material well-being and the poverty they see around them in the Soviet Union. The harsh and arbitrary Soviet economic system, with its emphasis on power and expediency, has repelled the idealists.

Travel restrictions, interference with mail, and the in-grown Soviet suspicion of foreigners have engendered in some students a sense of isolation in a hostile society. Equally serious have been student charges that Soviet security restrictions have handicapped them in their studies. These have been made both by participants in the academic work of the higher educational institutions and by returning military students, who have complained repeatedly of a sense of inadequacy concerning their training, a feeling that "something had been held back."

In February 1960, Khrushchev announced a Soviet plan to establish a University of People's Friendship for foreign students from Asia, Africa, and Latin America. Initial enrollment for this fall will be 500, but the USSR has announced that it is preparing eventually to accept from 3,000 to 4,000 annually, a figure which will compare favorably with the approximately 2,400 foreign students in the United States who now are being financed by American Government funds.

The course of study will be from four to five years, with a preliminary course of one to three years for the benefit of able but poorly prepared students. This preparatory course, unlike anything offered in the West, should have considerable appeal in areas lacking an extensive educational system. Soviet scholarships, moreover, are generous, covering not only

all expenses for the four to five years, but also the cost of travel to and from the USSR.

On 5 September Georgi Zhukov, chairman of the Soviet State Committee for Cultural Relations with Foreign Countries, announced that he had invited 150 Congolese students to receive "full" educations at Soviet institutions, and that Congolese officials had accepted the offer.

The Soviet press has announced that 25,000 applications and inquiries have been received, primarily from India, Indonesia, Japan, and Brazil. According to Soviet announcements, applications are to be submitted through Soviet embassies and consulates, or directly to the university. Several governments, including those of India and Nepal, have protested this effort to ensure the selection of applicants susceptible to political indoctrination, and have indicated that permission to accept such scholarships will be granted only to those who apply through domestic channels.

The new university may fulfill its function of insulating foreign students from the realities of life in the USSR. It will not, however, eliminate the students' sense of being discriminated against. The rector of the new university has already found it necessary to defend the institution in public against charges of "isolation" from Soviet life. Moreover, it is unlikely to alleviate the problems of student adjustment to a highly regimented and unfamiliar way of life, or of resentment of pressures to accept political doctrines with which the students are not necessarily sympathetic. The director of Moscow University, speaking no doubt from personal experience, has commented that "the rector will have plenty of troubles."

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CURRENT INTELLIGENCE WEEKLY SUMMARY

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In addition to its scholarship program, the Soviet regime has also offered to build and equip educational institutions in various underdeveloped countries in connection with economic aid programs. Afghanistan has been offered a Russian-language high school and a vocational training school. The USSR is building and equipping a technical institute in Burma as a gift. Ethiopia has been offered a technical school for 1,000 students.

Under the Soviet-UAR cultural agreement of 1958, the USSR is to assist in the establishment of "vocational

training centers" for the mining, timber, and textile industries, and certain engineering enterprises. Credits in various amounts have been granted for an institute of oceanography in Indonesia and a technical institute in Guinea. In addition, the USSR is contributing to technical institutes being built under a UNESCO program in India and Indonesia.

There are also approximately 650 Soviet instructors in military specialties in the Near East, 150 in Afghanistan, and approximately 25 in Indonesia. 25X1

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